finds that the alien participated in persecution, the alien has been convicted of a particularly serious crime, there are serious reasons for believing the alien committed a serious nonpolitical crime outside the U.S., there are reasonable grounds for regarding the alien as a threat to U.S. security, the alien is excludable or deportable because of terrorist activities, or the alien was firmly resettled in another country prior to arriving in the U.S.

New subsection (c) outlines the status of aliens granted asylum. Asylum may be terminated if the Attorney General asserts and the Immigration Court finds that the alien no longer is a refugee because of changed circumstances, the alien is not eligible for asylum for one of the reasons listed in the previous paragraph, the alien may be deported to a safe third country, the alien has voluntarily returned to his/her country, or the alien has acquired a new nationality. An alien whose asylum status has been terminated is subject to deportation.

New subsection (d) outlines the procedure for applying for asylum. Affirmative asylum applications shall be filed with the Attorney General and reviewed by an asylum officer. Aliens who unquestionably are eligible will be referred directly to the Attorney General; aliens whose eligibility is questionable will be referred to the Immigration Court for adjudication. At the time of filing an application, the alien shall be advised of the privilege of being represented and the consequences of filing a frivolous claim (permanent ineligibility for immigration benefits), and shall be provided a list of pro bono immigration lawyers, which shall be compiled and updated by the Immigration Court. Absent exceptional circumstances, a decision by an immigration trial judge of an affirmative asylum claim shall be issued not later than 45 days after it was referred to the Court. An appeal to the appellate division shall be filed within 20 days of a trial judge's decision granting or denying asylum or within 20 days of the completion of deportation or exclusion proceedings.

SEC. 5. CONFORMING AMENDMENTS.

This section makes conforming amendments to section 209(a)(2) (adjustment of status of refugees), section 234 (physical and mental examination of aliens), section 235 (inspection by immigration officers), section 236 (exclusion proceedings), section 242 (apprehension and deportation of aliens), section 242A (expedited deportation of aliens convicted of committing aggravated felonies), section 242B (deportation procedures), section 243(h) (withholding of deportation), section 244 (suspension of deportation; voluntary departure), section 246(a) (rescission of adjustment of status), section 273(d) (regarding stowaways), section 279 (jurisdiction of district courts), section 291 (burden of proof), section 292 (right to counsel), section 360(c) (exclusion of aliens issued certificate of identity) of the INA and to section 235(b) (expedited exclusion) as amended by section 422 of the Antiterrorism and Effective Death Penalty Act of 1996.

SEC. 6. EFFECTIVE DATE; SEVERABILITY.

Subsection (a) makes the amendments made by section 5 effective on the transition hearing date designated pursuant to section 2(c)(3) of this Act.

Subsection (b) is a severability clause.

MEDICAID CERTIFICATION ACT OF 1995

SPEECH OF

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1996

Mr. BARCIA. Mr. Speaker, I rise in support of H.R. 1791, a bill which provides the proper respect due osteopathic physicians, who provide a great service to millions of Americans.

With most of the doctors of osteopathic medicine being involved in primary care practices, it is high time that we reinstated osteopathic physicians as an eligible group of physicians to receive Medicaid reimbursement. There are thousands of osteopathic physicians in Michigan, more than in any other State, and a significant number in my own district. When one multiplies this group by the number of patients they serve, it is very easy to see that this error in OBRA '90 is of great consequence to many of our constituents.

I have been a great supporter of osteopathic medicine for some time. In the last Congress I sponsored House Concurrent Resolution 173 calling for the certain inclusion of osteopathic medicine as a key form of care in any health care proposal. It is only right that we take care to make sure osteopathic physicians are included in our current health care arsenal while we continue to work on improvements in our health care system.

One of the great frustrations the public has with the Government is when it seems to take forever for anyone to admit a mistake has been made, and even longer to correct it. This legislation is for the benefit of the health-care seeking public. It restores previously provided treatment that we erroneously terminated, and is long overdue. It deserves the support of all of our colleagues. I urge the adoption of H.R. 1791.

INTRODUCTION OF LEGISLATION TO ENCOURAGE CHARITABLE CONTRIBUTIONS OF CLOSELY-HELD CORPORATIONS

HON. JENNIFER DUNN

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Ms. DUNN of Washington. Mr. Speaker, government at every level—Federal, State, and local—are being forced to reduce spending. At the same time, government should do all it can reasonably do to encourage private philanthropic efforts. Many of these government services can be provided at the local level by charities that know the community best and can supply the most efficient and competent delivery of services to those most in need. Public charities and private foundations already have proven they can distribute funds to a very diverse, wide-ranging group of support organizations at the community level.

One source of untapped resources for charitable purposes is closely-held corporate stock. Today the tax cost of contributing closely-held stock to a charity or foundation is prohibitive, and discourages families and owners from disposing of their businesses in this manner. This legislation, which I introduce today, will correct this problem by once again permitting certain tax-free liquidations of closely-held corporations into one or more tax exempt 501(c)(3) organizations.

Under current law, the problem with giving closely-held stock to charity is that the absence of a market for such stock and the typical pattern of small and sporadic dividends paid by such companies make it difficult for a charity to benefit from ownership of such stock. Accordingly, if such stock is given to a charitable organization, and in particular if a controlling interest is given, the corporation may have to be liquidated either by statute requirement or to effectively complete the transfer of assets to the charity for its use. Under current law, such a liquidation would incur a corporate tax at a Federal tax rate of 35 percent.

This cost is imposed as a result of the tax law changes made in 1986 that repealed the general utilities doctrine and thus imposed a corporate level tax on all corporate transfers, including those to tax exempt organizations. The charitable organization could also be subject to unrelated business income taxes. These tax costs make contributions of closely-held stock a costly and ineffective means of transferring resources to charity, and these are the costs I propose to eliminate in order to free up additional private resources for charitable purposes.

This legislation eliminates the corporate tax upon liquidation of a qualifying closely-held corporation of certain conditions are met. Most importantly, qualification would require that 80 percent or more of the stock must be bequeathed at death to a 501(c)(3) tax-exempt organization. The bill also clarifies that the charity can receive mortgaged property in a qualified liquidation free from unrelated business income tax for a period of ten years. This change parallels the exemption from UBIT for 10 years provided under current law for direct transfers by gift or bequest.

By eliminating the corporate tax upon liquidation Congress would encourage additional, and much needed, transfer to charity. Individuals who are willing to make generous bequests of companies and assets they have spent years building should not be discouraged by seeing the value of their gifts so substantially reduced by taxes. It is worthwhile to note that the individual donor does not receive any tax benefit from the proposal. All tax savings go to the charity.

I urge all of my colleagues to support this important legislation designed to encourage charitable contributions.

TRIBUTE TO GEN. JAMES R. JOY

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. ORTIZ. Mr. Speaker, I rise today to pay tribute to a great American, Brig. Gen. James R. Joy, USMC, retired. General Joy's retirement from the Directorship of Morale, Welfare and Recreation Support Activity, Manpower Department, Marine Corps Headquarters, completes a brilliant military career.

In June 1957, James Joy was commissioned a second lieutenant in the U.S. Marine Corps. Upon his graduation from the basic